IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX APPLICATION NO.85 OF 2002

The Commissioner of Income Tax
City II, Bombay .. Petitioner
V/s
Colour Chem Limited .. Respondents

Mr.A.S.Rao for the Petitioner.
Mr.A.K.Jasani for the Respondents.

CORAM : DR.S.RADHAKRISHNAN &
J.P.DEVADHAR, JJ.

DATE : 13th March, 2007.

P.C.:

1. Heard the learned Counsel for the parties. The above application was admitted by this Court by an order dated 11.9.2006 with regard to the following question of law:-

Whether on the facts and in the circumstances of the case, the Tribunal was right in law in directing the Assessing Officer to compute the quantum of disallowances in respect of travelling expenses by taxing the total trips made by assessee's employees during the year and not on the individual trips performed by employees during the year?

2. The above application pertain to the Assessment Year 1984-1985. Both the learned Counsel for the parties categorically state that the issue raised in this application is squarely covered by a decision of this Court in the case of **Commissioner of Income Tax V/s.Aorow India Limited - (1998) 229 ITR 325.** In view thereof, with the consent of both the parties, the above application is allowed and the same is treated as a "Statement of the Case".

3. In view of the aforesaid judgment in the case of **Commissioner of Income Tax V/s.Aorow India Limited**, the

question raised in this Application is answered in terms of the order passed in the said judgment. Accordingly the reference is also disposed of.

(J.P.DEVADHAR, J.) **(DR.S.RADHAKRISHNAN,J.)**